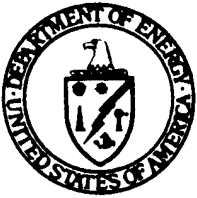


OCA FILE DC 7
RECPT # RecordTHE SECRETARY OF ENERGY
WASHINGTON, D.C. 20585

March 26, 1986

Executive Registry	
86-	1257

Honorable William J. Casey
Director, Central Intelligence
Agency
Washington, D.C. 20250

Dear Mr. Casey:

I am pleased to enclose for your information a copy of the 1985 National Energy Policy Plan V (NEPP V), submitted by the President to the Congress as required by Section 801 of the Department of Energy Organization Act (Public Law 95-91).

To echo the President, the state of our energy health is good and the prospects for its future promising. As today's headlines attest, our energy health has undergone a remarkable transformation since this Administration's initial policy report to Congress 5 years ago. Crude oil prices have declined, with savings passed on to consumers. We are using energy more productively and employing a greater diversity of energy resources. Total U.S. energy production is at an unprecedented level, and we are far less vulnerable to disruptions of our energy supplies.

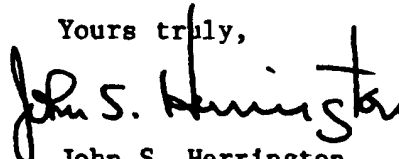
Despite this progress, the job of meeting the goal of providing America with an adequate supply of energy at reasonable costs is far from over. We have the challenge of building on this foundation of energy strength and security and working toward a new era of energy strength in which the United States has the resources and capabilities to sustain vigorous economic growth, as well as our important role in the world. We have more work to do in cutting counterproductive regulation, especially natural gas decontrol, diversifying our resources, and increasing alternate energy sources.

I believe, however, that we have every reason to look ahead with confidence. The remarkable progress that the United States has made in the last 5 years in restoring its energy health is a true testament to the strength of the American people and free-market energy policies. All of us can be proud of these accomplishments. I know it has been a distinct privilege for me to be part of this effort as Secretary of Energy during the past 14 months.

- 2 -

I look forward to a productive and continuing working relationship with you as we move forward to meet the energy challenges ahead.

Yours truly,



John S. Herrington

Enclosure